

# Welford Sanders Lofts

(former Milwaukee Enterprise Center Building)

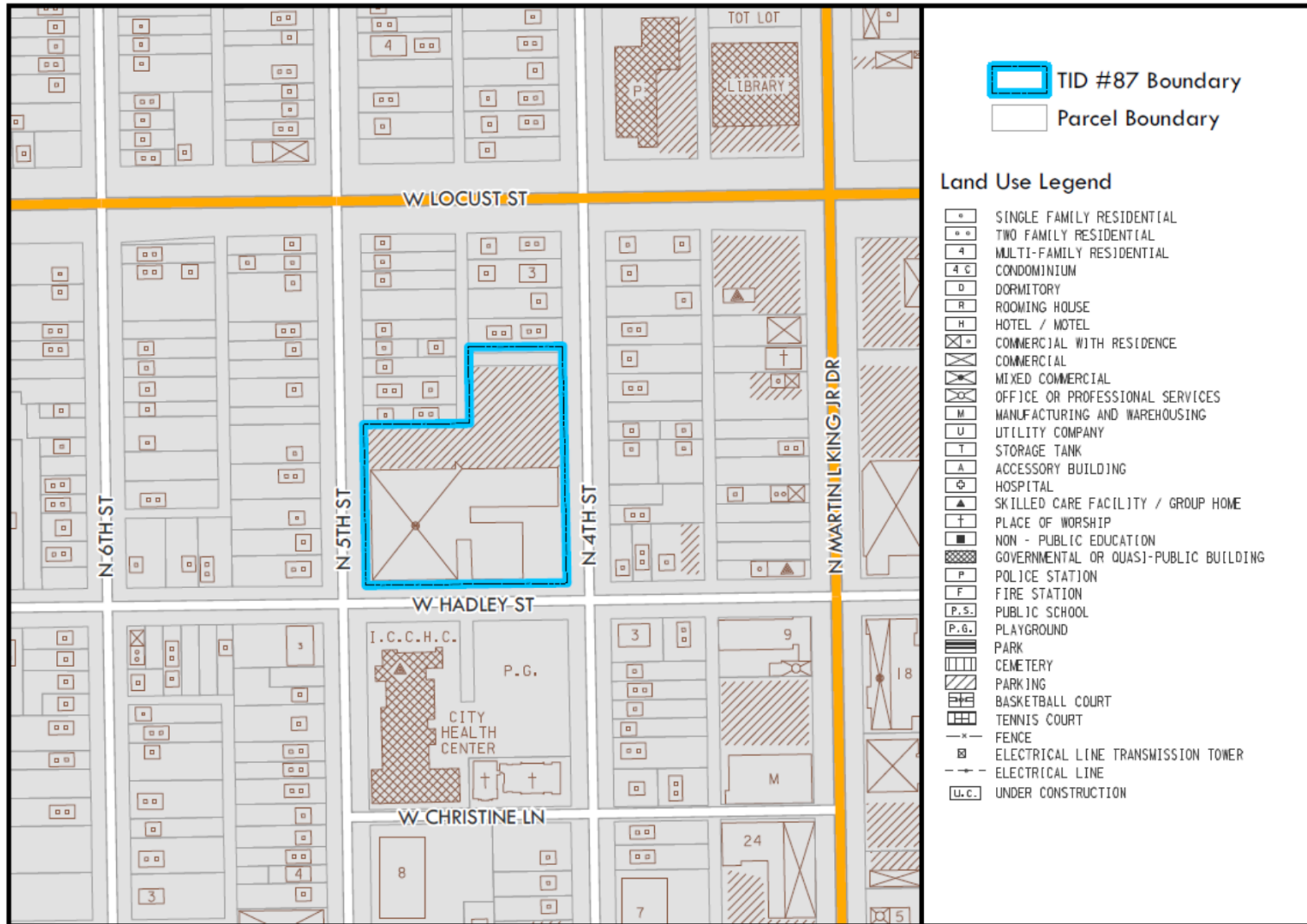
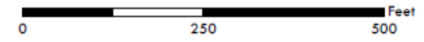
**2801-21 North 4<sup>th</sup> Street**





# TID 87: WELFORD SANDERS LOFTS










## MAP 1: BOUNDARY AND EXISTING LAND USE

Prepared by the Department of City Development Planning Division, 3/28/2016  
 Source: City of Milwaukee Information Technology Management Division



-  TID #87 Boundary
-  Parcel Boundary

### Land Use Legend

-  SINGLE FAMILY RESIDENTIAL
-  TWO FAMILY RESIDENTIAL
-  MULTI-FAMILY RESIDENTIAL
-  CONDOMINIUM
-  DORMITORY
-  ROOMING HOUSE
-  HOTEL / MOTEL
-  COMMERCIAL WITH RESIDENCE
-  COMMERCIAL
-  MIXED COMMERCIAL
-  OFFICE OR PROFESSIONAL SERVICES
-  MANUFACTURING AND WAREHOUSING
-  UTILITY COMPANY
-  STORAGE TANK
-  ACCESSORY BUILDING
-  HOSPITAL
-  SKILLED CARE FACILITY / GROUP HOME
-  PLACE OF WORSHIP
-  NON - PUBLIC EDUCATION
-  GOVERNMENTAL OR QUASI-PUBLIC BUILDING
-  POLICE STATION
-  FIRE STATION
-  PUBLIC SCHOOL
-  PLAYGROUND
-  PARK
-  CEMETERY
-  PARKING
-  BASKETBALL COURT
-  TENNIS COURT
-  FENCE
-  ELECTRICAL LINE TRANSMISSION TOWER
-  ELECTRICAL LINE
-  UNDER CONSTRUCTION

# Current Conditions







# Current Conditions





**KEY**

	KING DRIVE COMMONS PHASE ONE		KING DRIVE COMMONS PHASE THREE
	KING DRIVE COMMONS PHASE TWO		KING DRIVE COMMONS PHASE FOUR

# KING DRIVE COMMONS

MILWAUKEE, WISCONSIN

# The Welford Sanders Historic Lofts

## Development Summary – March 2016

The Welford Sanders Historic Lofts is the proposed \$19.7 million historic redevelopment of an underutilized and deteriorating industrial building located at 2821 N 4th Street in Milwaukee, Wisconsin. The development is named in memory of long time Martin Luther King Economic Development Corporation (MLKEDC) Executive Director, Welford Sanders, and is a joint venture between MLKEDC and Wisconsin Redevelopment (WR). The successful renovation of this 185,000 square foot historic building is critical to the ongoing stability of its immediate neighborhood which was so successfully addressed by this same development team in the four previous phases of King Drive Commons consisting of over 100 quality housing units in newly developed or renovated buildings, as well as first floor retail spaces that provide goods and services to the surrounding neighborhood.

The building was initially a Nunn-Bush shoe factory, but was purchased by the Milwaukee Area Technical College in 1985 and converted into the Milwaukee Enterprise Center to serve as a small business incubator. The building was sold by MATC in 2011, but still has a number of small businesses scattered throughout the building. The current development team acquired the building in 2015 and reduced the annual property tax assessment from \$1.4 million to \$220,000 to more accurately reflect the current condition of the property. The proposed redevelopment will create a mixed-use complex with 58 housing units, lower level indoor parking, energy efficient components, secure private and semi-private courtyard spaces, and other sustainable features. In addition, the development will create a literal "walk-to-work" environment with approximately 40,000 sq. ft. of renovated top quality office space strategically located within the building for job training and job creation activities. Current tenants in the building will be offered the first opportunity to relocate into these new offices.

The Welford Sanders Historic Lofts will be completed by the end of the last quarter of 2017 or the first quarter of 2018. The development team has already secured Part I and Part II approvals for historic tax credits and is finalizing financing using tax exempt housing bonds through WHEDA. Finally, the development team will commission a life size statue commemorating Welford Sanders and the significant contributions he made toward improving the quality of life for residents in this central city neighborhood.

The Welford Sanders Historic Lofts will create and/or support additional jobs in an area of great need. The project is conveniently situated on a city bus route near downtown with 40,000 square feet of office and light manufacturing space that will support over 250 permanent jobs. An "employment partnership" has been developed with agencies that are currently tenants in the subject property and who want to expand their collaborative efforts to collectively address barriers to employment and help area residents achieve self-sufficiency through sustainable employment.

In addition to the above activities, the development will provide a permanent location for the ACRE (Associates in Commercial Real Estate) program with classroom space during the school year plus office/meeting space for ad hoc meetings or entrepreneurial activities for ACRE alumni at no rental cost. The ACRE program graduates a minimum 20 individuals annually. In addition, ACRE will use the Welford Sanders Historic Lofts as a year-long case study as part of their 2016-17 curriculum due to the project's various real estate, construction, and property management complexities and importance to Milwaukee's central city.

The office rents will be set at below market levels to further support the community services provided by office tenants to area residents. Since the hard construction costs are expected to be \$12.5 million, the development will average about 70 full time construction jobs monthly for a one-year period at a family-supporting wage of \$50 per hour on average (assuming 2,000 annual per person work hours). The development team will make every effort to exceed the City's EBE participation level and the 40% Resident Preference Program (RPP).

The Various King Drive Commons phases have been a focus of many of neighborhood plans and community planning efforts. This is the first substantial King Drive historic housing rehabilitation project in over 15 years. The Welford Sanders Historic Lofts will contribute to the City's on-going efforts to increase employment opportunities and tax base. The private sector will provide an investment of over \$13 million. Financial support from the City of Milwaukee and WHEDA demonstrate that the Welford Sanders Historic Lofts is critical in the redevelopment of Milwaukee's central city in numerous ways.

## Keeping King Drive dream alive



*The Welford Sanders Historic Lofts, the proposed redevelopment of a business incubator at 2821 N. 4th St., will be turned into 30,000 square feet of office space and 58 two- or three-bedroom apartments. Credit: Michael Sears*

**By Tom Daykin**  
August 15, 2015

For several years, Welford Sanders spurred redevelopment efforts in an area centered on the 2700 block of N. King Drive in Milwaukee's central city. However, Sanders died in May after a lengthy illness before his latest project could become a realized reality.

Now, the nonprofit group that Sanders led is proceeding with the \$14.1 million development, which would convert an underused former industrial building into apartments and offices.

"It continues Welford's vision for the neighborhood," said Robert Lemke, who is working on the effort.

The six-story building, to be called the Welford Sanders Historic Lofts, would feature 58 apartments and 30,000 square feet of offices. The building, at 2801-2821 N. 4th St., was constructed in 1915. It was originally used as Nunn Bush Shoe Co.'s factory.

The Milwaukee Area Technical College bought the closed factory in 1985 and operated a small-business incubator, Milwaukee Enterprise Center North, for several years with mixed results. The college sold the property in 2011 to a local investors group.

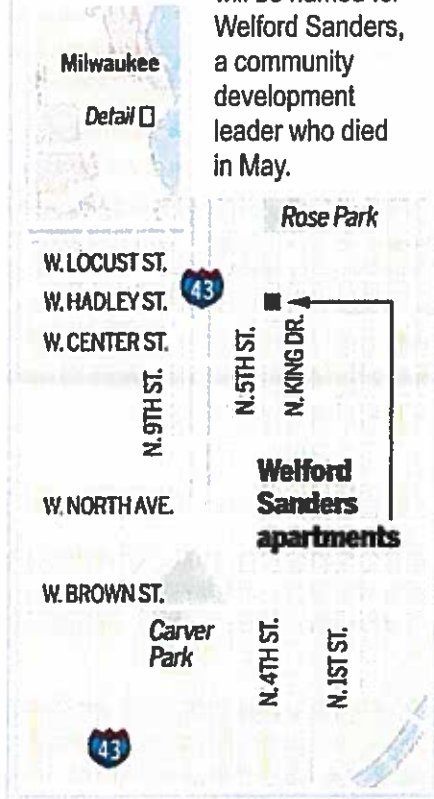
That group's plan to create apartments fell through, and it was sold in 2013 to Tampa, Fla.-based Mercy Foundation Group Inc.

Mercy continued leasing space to small businesses, but the building is only about one-third occupied. Mercy in December sold the building for \$220,000 to a group affiliated with Wisconsin Redevelopment LLC, which Lemke operates, and Martin Luther King Economic Development Corp., the nonprofit group that Sanders led for 14 years until his death at the age of 65.

## Development to honor Welford Sanders

The planned redevelopment of an underused business incubator into apartments and updated offices

will be named for Welford Sanders, a community development leader who died in May.



Journal Sentinel

The redeveloped building would be the latest phase in the nonprofit group's King Drive Commons, which features 108 rental housing units and commercial space that includes a Growing Power market and cafe at 2719 N. King Drive.

King Drive Commons was developed in four phases from 2004 through 2013 in an area bordered mainly by N. 2nd and 6th streets and W. Center and Hadley streets.

The planned redevelopment of the Nunn Bush building would be the fifth phase of King Drive Commons.

As with the previous phases, it would use federal tax credits provided to developers of apartments for lower-income people.

Those credits, provided through a competitive process that is overseen by the Wisconsin Housing and Economic Development Authority, require developers to lease apartments at below-market rents to people earning no more than 60% of the area's median income.

Lemke said the developers hope to learn in September whether the authority will grant the credits. If that happens, construction work would likely begin next spring, he said, with completion by the spring of 2017.

Meanwhile, the project has received approval for state and federal historic preservation tax credits, which would partially cover the building's exterior renovation costs.

Along with 47 rent-adjusted apartments, the building would have 11 market-rate units, Lemke said.

The project would include removing 53,000 square feet from the middle of the 193,000-square-foot building, which covers about half the block north of W. Hadley St., between N. 4th and 5th streets. Removing that portion would create a courtyard for apartment residents, Lemke said.

The building's lower level would be converted into 60 indoor parking spaces.

Lemke said the building would provide below-market office rents to help keep and attract groups that work on finding jobs for people, especially those who face barriers to employment.

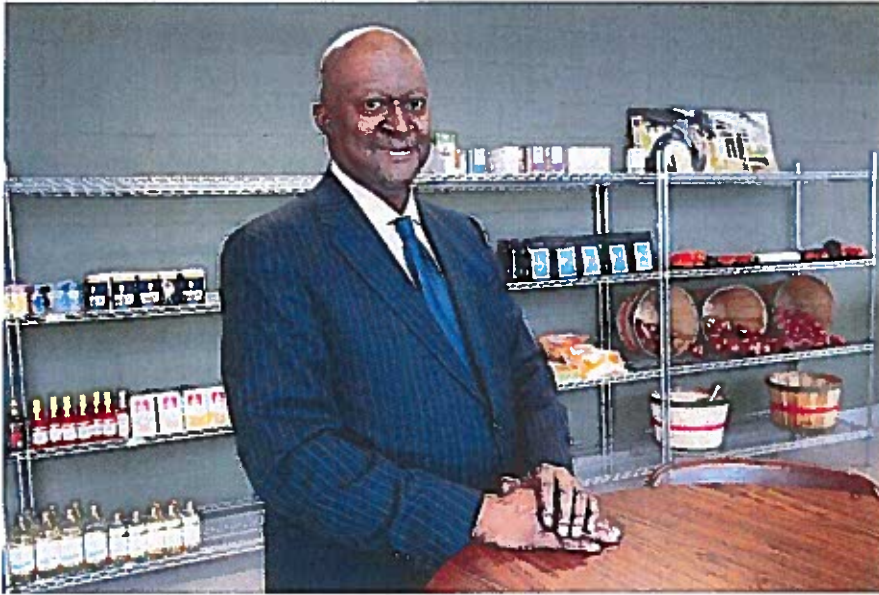
The office tenants that plan to remain within the building include: Project Return, a faith-based group which works with people released from prison; Step Industries Inc., which places people recovering from drug and alcohol addictions into transitional work; Milwaukee JobsWork, which helps poor people find and keep sustainable jobs; and the Alma Center, which provides employment and other support services to men who have been domestic abuse perpetrators.

New building tenants would include the Associates in Commercial Real Estate program, which recruits and trains African-Americans



Charlene Workman (left) gets training from Milwaukee JobWorks' director of employee development Michael Adams on Wednesday. JobWorks is one of the tenants in the current office space at the historic building. Credit: Michael Sears





*Welford Sanders pushed for King Drive development. Credit: Michael Sears*

and other minorities for commercial real estate careers. The ACRE office would include a conference room for the program's alumni, along with its current students, Lemke said.

Focusing the office space on work development groups is a good idea, said Bill Krugler, president of Milwaukee JobsWork, formally known as Milwaukee Community Business Collaborative Inc.

Milwaukee JobsWork, which moved to the building in April, has worked with Project Return and other organizations housed there, Krugler said, making it easier for the program's clients. He also said the building's redevelopment would give the groups more visibility, helping the overall effort to fight poverty in Milwaukee's central city.

"The need is obviously huge," said Krugler.

Along with his name on the building, Sanders will be remembered through a life-size statue in the courtyard, Lemke said.

Sanders grew up in Chicago before attending the University of Wisconsin-Madison. He earned his bachelor's degree in history and economics in 1971 and a master's degree in urban and regional planning in 1973. Sanders worked at the Chicago-based American Planning Association and as a consultant before the University of Wisconsin-Milwaukee School of Architecture and Urban Planning hired him as an instructor in 1993.

He became involved with the King Drive development group in the 1990s and switched to part-time status at UWM after being named executive director of the organization in 2001. Sanders also served on the board of directors for almost a decade at Growing Power Inc., a Milwaukee-based group that supports urban farming. He was Growing Power board president from 2013 until his death.

In a 2014 Journal Sentinel article about Sanders and Martin Luther King Economic Development Corp., he talked about future development sites, including the Nunn Bush building.

"Our job now is to come back and see what the opportunities are," Sanders said then.

The building's redevelopment would bring more energy to its block and to the wider surrounding neighborhood, said Ben Johnson, Martin Luther King Economic Development Corp. board chairman.

"It's going to have a dual beneficial impact," Johnson said.